

January 11, 2006

**CERTIFIED MAIL, RETURN RECEIPT REQUESTED**

John J. LaBerge  
1 Alden Place  
Vergennes, VT 05491

**Re: Briarwood Manor Purchase and Sale Agreement dated October 28, 2005:  
Notice of Termination**

Dear Mr. LaBerge:

On behalf of the Purchasers under the captioned Agreement, I advise you that the captioned Purchase and Sale Agreement is hereby terminated on account of your breach of paragraphs 3(a) and (f) of the Agreement, to wit, the Seller's continuing failure on and since the date of the Agreement to have necessary Act 250 permits for the Premises as to (i) the original construction, and/or (ii) the fill you placed on the site some time after the original construction. Accordingly, pursuant to paragraph 12 of the Agreement, Purchasers hereby demand return to them of the \$18,000 deposit and one-half of the \$5,400 extension fee paid to you on December 1, 2005.

In the event that you dispute Purchasers' right to terminate on account of your breach of paragraph 3(a), but only in the further event that you ultimately prevail in any judicial contest over the Purchasers' asserted right to do so, as a complete alternative ground of termination, the Purchasers hereby terminate the captioned Agreement because of the failure of the condition specified in paragraph 5(b) of the Agreement regarding appraised value. In the opinion of Kurt Kaffenberger, MAI, the fair market value of the Premises (as defined in the Agreement) as a community care home is \$1,075,000 versus the Purchase Price of \$1,200,000.00. Mr. Kaffenberger attaches an additional value to the personal property on the Premises, but that is irrelevant to the condition and, in any event, still leaves the fair market value substantially short of the Purchase Price. Enclosed for your information please find a copy of the cover page of Mr. Kaffenberger's appraisal along with excerpted pages 2, 5, and 6 thereof, consisting of his transmittal letter and his "Summary of Important Facts and Conclusions."

Very truly yours,  
MICKENBERG, DUNN, KOCHMAN,  
LACHS & SMITH, PLC

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Franklin L. Kochman

FLK:kah  
enclosures  
cc: (with encs.)  
Celia Daly, Esq. (by fax and regular mail)

Todd Centybear and Charles Stringer (regular mail)  
William Miller, Esq. (regular mail)